



Sam Della Fera, Jr.
Direct Dial: (973) 721-5019
Facsimile: (973) 681-7233
sdellafera@msbnj.com

16030-0001

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Via ECF

Honorable Michael B. Kaplan, Chief U.S.B.J.
United States Bankruptcy Court
402 East State Street
Trenton, New Jersey 08608

**Re: In re Hollister Construction Services, LLC
Chapter 11 Case No. 19-27439 (MBK)**

**Limited Objection of the Creditors' Committee to the Debtor's
Motion to Approve Amendment to the HUB Settlement Agreement
Hearing Date: December 3, 2020, at 10:00 a.m.**

Dear Judge Kaplan:

This firm is counsel to the Official Committee of Unsecured Creditors (the "Committee") for the estate of the above-referenced Debtor. Please accept this letter in lieu of a more formal limited objection by the Committee to the *Debtor's Motion for Entry of an Order Approving Amendment to Settlement Agreement by and among the Debtor, Accordia Harrison Urban Renewal, LLC, and Certain Subcontractors Pursuant to Fed. R. Bankr. P. 9019 and Granting Related Relief* (the "Motion").

To the extent that the Motion seeks to amend the HUB Settlement Agreement (as defined therein) to facilitate payments due from the project owner, increase the project budget, allow payment to subcontractors, and permit the completion of the project, the Committee has no objection.

However, the Motion also seeks, without any supporting evidence or legal authority, this Court's approval of a \$200,000 payment directly from the project owner to Debtor's counsel, allegedly to pay fees "incurred in negotiating and effectuating the HUB Settlement Agreement and the Amendment." Motion at 5-6. Nowhere are the services supporting such fees identified. Consequently, the Court has been given no information to determine whether the foregoing amount is "reasonable compensation for actual, necessary services" as required by the Bankruptcy Code. 11 U.S.C. § 330(a)(1)(A). In addition, payment of settlement proceeds directly to Debtor's counsel contravenes the requirement in the serial interim cash collateral orders entered herein that all such proceeds be deposited into an escrow account at PNC Bank, to be used only for Court-approved purposes.

Payment of fees to Debtor's counsel from the settlement proceeds should be denied. The Committee reserves the right to supplement its objection at the hearing on the Motion.

Respectfully submitted,

/s/ Sam Della Fera, Jr.

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